

NONMAJOR ENTERPRISE FUNDS

King County has established Enterprise Funds to account for organizations intended to be self-supporting through fees charged for services provided to the public. The County has five nonmajor enterprises that use the accrual basis of accounting. A typical enterprise consists of an operating fund and construction subfund and may also include debt service or other reserve subfunds.

Institutional Network (I-Net) Enterprise Fund – Accounts for the development and operation of a fiber optic network connecting approximately 300 public facilities across King County. I-Net provides broadband internet connectivity, including data, voice and video communications to schools in unincorporated King County, public safety agencies, courts, public health facilities, and other public service agencies.

King County International Airport (KCIA) Enterprise Fund – Accounts for the operations, maintenance, capital improvements, and expansion of the King County International Airport/Boeing Field. With its two runways (3,710 feet and 10,000 feet in length) and four fixed-base operators, KCIA provides all the facilities and services necessary to support jet and propeller-driven aircraft and helicopters. KCIA is an FAA-designated General

Aviation Reliever for Sea-Tac Airport and averages over 375,000 general aviation operations per year.

Radio Communications Services Enterprise Fund – Accounts for the operation, maintenance, capital improvements, and expansion of the 800 MHz trunked radio system that provides communications for the public safety agencies of the County, as well as many other local government agencies. Costs are recovered primarily through user fees, including charges for maintenance and future equipment replacement.

Solid Waste Enterprise Fund – Accounts for the operation, maintenance, capital improvements, and expansion of the County's solid waste disposal facilities under the Solid Waste Division of the Department of Natural Resources and Parks. The County operates eight solid waste transfer stations, two drop box stations, two household hazardous waste facilities, one regional landfill, and recycling services for residential customers. Operating revenues result primarily from tipping fees at the active solid waste disposal sites, while bond proceeds fund most new construction. Significant reserves are set aside to replace landfills, to provide for post-closure care and remediation costs, and to replace capital equipment.

Stadium Enterprise Fund – This fund was closed in 2010.

COMBINING STATEMENT OF NET ASSETS
NONMAJOR ENTERPRISE FUNDS
DECEMBER 31, 2010
(IN THOUSANDS)

			KING COUNTY INTER- NATIONAL AIRPORT	RADIO COMMUNI- CATIONS SERVICES	SOLID WASTE	STADIUM
	TOTAL	I-NET				
ASSETS						
Current assets						
Cash and cash equivalents	\$ 74,335	\$ 2,037	\$ 26,016	\$ 11,519	\$ 34,763	\$ -
Restricted cash and cash equivalents	212	-	212	-	-	-
Accounts receivable	13,548	103	5,653	152	7,640	-
Estimated uncollectible accounts receivable	(113)	-	(22)	-	(91)	-
Due from other funds	2,358	32	84	1	2,241	-
Due from other governments	1,944	298	1,286	49	311	-
Inventory of supplies	1,542	-	249	104	1,189	-
Total current assets	93,826	2,470	33,478	11,825	46,053	-
Noncurrent assets						
Restricted assets						
Cash and cash equivalents	39,253	-	456	-	38,797	-
Total restricted assets	39,253	-	456	-	38,797	-
Capital assets						
Capital assets not being depreciated	78,953	-	20,913	-	58,040	-
Capital assets, net of accumulated depreciation	176,080	4,334	64,953	6,895	99,898	-
Total capital assets	255,033	4,334	85,866	6,895	157,938	-
Other noncurrent						
Deferred charges	94	-	39	-	55	-
Total noncurrent assets	294,380	4,334	86,361	6,895	196,790	-
TOTAL ASSETS	388,206	6,804	119,839	18,720	242,843	-
LIABILITIES						
Current liabilities						
Accounts payable	10,844	295	1,570	703	8,276	-
Retainage payable	190	-	190	-	-	-
Due to other funds	4,725	604	2,772	8	1,341	-
Interest payable	244	68	18	-	158	-
Wages payable	1,857	52	158	100	1,547	-
Compensated absences payable	135	3	13	4	115	-
Taxes payable	193	-	140	13	40	-
Unearned revenue	3,728	174	3,394	159	1	-
Customer deposits	265	31	22	212	-	-
General obligation bonds payable	3,449	570	415	-	2,464	-
Landfill closure and post-closure care	5,938	-	-	-	5,938	-
Total current liabilities	31,568	1,797	8,692	1,199	19,880	-
Noncurrent liabilities						
Retainage payable	31	-	31	-	-	-
Customer deposits	425	-	425	-	-	-
Compensated absences payable	5,703	145	544	154	4,860	-
Other postemployment benefits	567	10	51	16	490	-
General obligation bonds payable	43,872	2,530	5,010	-	36,332	-
Deferred bond premium/discount /refunding losses	1,768	-	206	-	1,562	-
Environmental remediation	4,433	-	4,433	-	-	-
Landfill closure and post-closure care	79,559	-	-	-	79,559	-
Total noncurrent liabilities	136,358	2,685	10,700	170	122,803	-
TOTAL LIABILITIES	167,926	4,482	19,392	1,369	142,683	-
NET ASSETS						
Invested in capital assets, net of related debt	205,944	1,234	80,235	6,895	117,580	-
Unrestricted	14,336	1,088	20,212	10,456	(17,420)	-
TOTAL NET ASSETS	\$ 220,280	\$ 2,322	\$ 100,447	\$ 17,351	\$ 100,160	\$ -

COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET ASSETS
NONMAJOR ENTERPRISE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2010
(IN THOUSANDS)

	TOTAL	I-NET	KING COUNTY INTER- NATIONAL AIRPORT	RADIO COMMUNI- CATIONS SERVICES	SOLID WASTE	STADIUM
OPERATING REVENUES						
I-Net fees	\$ 2,820	\$ 2,820	\$ -	\$ -	\$ -	\$ -
Radio services	3,741	-	-	3,741	-	-
Solid waste disposal charges	84,877	-	-	-	84,877	-
Airfield fees	3,481	-	3,481	-	-	-
Hangar, building, and site rentals and leases	13,835	-	13,835	-	-	-
Reimbursement for services to tenants	1,673	-	1,673	-	-	-
Miscellaneous	469	21	187	261	-	-
Total operating revenues	<u>110,896</u>	<u>2,841</u>	<u>19,176</u>	<u>4,002</u>	<u>84,877</u>	<u>-</u>
OPERATING EXPENSES						
Personal services	49,411	721	4,772	1,731	42,187	-
Materials and supplies	7,872	30	549	719	6,574	-
Contract services and other charges	26,731	342	6,025	399	19,965	-
Utilities	3,498	-	1,316	148	2,034	-
Internal services	13,895	328	4,776	564	8,227	-
Depreciation and amortization	21,948	1,417	4,178	1,093	15,260	-
Total operating expenses	<u>123,355</u>	<u>2,838</u>	<u>21,616</u>	<u>4,654</u>	<u>94,247</u>	<u>-</u>
OPERATING INCOME (LOSS)	<u>(12,459)</u>	<u>3</u>	<u>(2,440)</u>	<u>(652)</u>	<u>(9,370)</u>	<u>-</u>
NONOPERATING REVENUES (EXPENSES)						
Interest earnings	1,150	15	232	100	802	1
Interest expense	(2,311)	(135)	(179)	-	(1,997)	-
Rental income	1,355	-	-	-	1,355	-
DNR administration revenue	3,623	-	-	-	3,623	-
DNR administration expense	(3,343)	-	-	-	(3,343)	-
Loss on disposal of capital assets	(1,419)	-	(409)	(26)	(984)	-
Landfill closure and post-closure care	19,330	-	-	-	19,330	-
Miscellaneous revenue	2,354	-	1,590	-	764	-
Miscellaneous expense	(1,741)	-	-	-	(1,268)	(473)
Total nonoperating revenues (expenses)	<u>18,998</u>	<u>(120)</u>	<u>1,234</u>	<u>74</u>	<u>18,282</u>	<u>(472)</u>
Income (loss) before contributions and transfers	6,539	(117)	(1,206)	(578)	8,912	(472)
Capital grants and contributions	6,161	7	5,300	204	650	-
Transfers in	574	-	-	574	-	-
Transfers out	(1,565)	(1,270)	(7)	(18)	(161)	(109)
CHANGE IN NET ASSETS	<u>11,709</u>	<u>(1,380)</u>	<u>4,087</u>	<u>182</u>	<u>9,401</u>	<u>(581)</u>
NET ASSETS - JANUARY 1, 2010	<u>208,571</u>	<u>3,702</u>	<u>96,360</u>	<u>17,169</u>	<u>90,759</u>	<u>581</u>
NET ASSETS - DECEMBER 31, 2010	<u>\$ 220,280</u>	<u>\$ 2,322</u>	<u>\$ 100,447</u>	<u>\$ 17,351</u>	<u>\$ 100,160</u>	<u>\$ -</u>

COMBINING STATEMENT OF CASH FLOWS
NONMAJOR ENTERPRISE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2010
(IN THOUSANDS)
(PAGE 1 OF 2)

			KING COUNTY INTER- NATIONAL AIRPORT	RADIO COMMUNI- CATIONS SERVICES	SOLID WASTE	STADIUM
	TOTAL	I-NET				
CASH FLOWS FROM OPERATING ACTIVITIES						
Cash received from customers	\$ 108,311	\$ 2,628	\$ 18,538	\$ 4,583	\$ 82,562	\$ -
Cash payments to suppliers for goods and services	(49,898)	(628)	(14,517)	(1,444)	(33,309)	-
Cash payments for employee services	(48,665)	(688)	(4,722)	(1,677)	(41,578)	-
Other receipts	5,742	-	-	-	5,742	-
Other payments	(4,611)	-	-	-	(4,611)	-
Net cash provided (used) by operating activities	10,879	1,312	(701)	1,462	8,806	-
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES						
Transfers in	574	-	-	574	-	-
Transfers out	(1,565)	(1,270)	(7)	(18)	(161)	(109)
Net cash provided (used) by noncapital financing activities	(991)	(1,270)	(7)	556	(161)	(109)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES						
Acquisition of capital assets	(19,554)	-	(1,906)	(2,327)	(15,321)	-
Principal paid on capital debt	(4,915)	(550)	(495)	-	(3,870)	-
Interest paid on capital debt	(2,423)	(150)	(188)	-	(2,085)	-
Capital grants received	7,691	-	5,848	1,843	-	-
Proceeds from disposal of capital assets	665	-	15	-	650	-
Landfill closure and post-closure care	(3,324)	-	-	-	(3,324)	-
Net cash provided (used) by capital and related financing activities	(21,860)	(700)	3,274	(484)	(23,950)	-
CASH FLOWS FROM INVESTING ACTIVITIES						
Interest on investments (including unrealized gains and losses reported as cash and cash equivalents)	1,150	15	232	100	802	1
Net cash provided by investing activities	1,150	15	232	100	802	1
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(10,822)	(643)	2,798	1,634	(14,503)	(108)
CASH AND CASH EQUIVALENTS - JANUARY 1, 2010	124,622	2,680	23,886	9,885	88,063	108
CASH AND CASH EQUIVALENTS - DECEMBER 31, 2010	<u>\$ 113,800</u>	<u>\$ 2,037</u>	<u>\$ 26,684</u>	<u>\$ 11,519</u>	<u>\$ 73,560</u>	<u>\$ -</u>

COMBINING STATEMENT OF CASH FLOWS
NONMAJOR ENTERPRISE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2010
(IN THOUSANDS)
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	TOTAL	I-NET	KING COUNTY INTER- NATIONAL AIRPORT	RADIO COMMUNI- CATIONS SERVICES	SOLID WASTE	STADIUM
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES						
Operating income (loss)	\$ (12,459)	\$ 3	\$ (2,440)	\$ (652)	\$ (9,370)	\$ -
ADJUSTMENTS TO RECONCILE OPERATING INCOME TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES						
Depreciation and amortization	21,948	1,417	4,178	1,093	15,260	-
Other nonoperating revenue/expense	2,723	-	1,590	-	1,133	-
Changes in assets - (increase) decrease						
Accounts receivable, net	(2,108)	35	(118)	124	(2,149)	-
Due from other funds	156	29	(5)	276	(144)	-
Due from other governments	(392)	(236)	-	-	(156)	-
Inventory of supplies	(213)	-	(72)	(7)	(134)	-
Changes in liabilities - increase (decrease)						
Accounts payable	2,994	(18)	(1,059)	441	3,630	-
Retainage payable	(41)	-	(41)	-	-	-
Due to other funds	212	91	38	(49)	132	-
Wages payable	80	6	3	27	44	-
Taxes payable	(26)	-	(10)	(10)	(6)	-
Unearned revenues	-	(72)	(88)	159	1	-
Compensated absences	521	24	34	23	440	-
Other postemployment benefits	144	2	13	4	125	-
Customer deposits and other liabilities	(2,660)	31	(2,724)	33	-	-
Total Adjustments	23,338	1,309	1,739	2,114	18,176	-
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	\$ 10,879	\$ 1,312	\$ (701)	\$ 1,462	\$ 8,806	\$ -

NONCASH INVESTING, CAPITAL, AND FINANCING ACTIVITIES:

The King County International Airport issued capital bonds. The bond proceeds of \$5,691 thousand were placed in escrow for the defeasance of \$5,280 thousand of outstanding bond principal.

The Stadium Fund contributed land to the general government in the amount of \$473 thousand.



INTERNAL SERVICE FUNDS

Building Development and Management Corporations Fund – An administrative fund created to report the net assets and activities of four nonprofit corporations created to develop, construct, manage and finance office buildings for county use.

Construction and Facilities Management Fund – Accounts for custodial services, building maintenance, and CIP project management. The fund also provides printing, copying, and bindery services.

DES Equipment Replacement Fund – Accounts for the purchase and replacement of personal computers for the agencies in King County Department of Executive Services.

Employee Benefits Program Fund – Accounts for the activities of employee medical, dental, vision, life, accidental death and dismemberment, and long-term disability benefit programs and will account for future modifications to existing benefits or additions of new employee benefits.

Financial Management Services Fund – Accounts for financial services, including accounting, payroll and benefits, treasury, contracts, and procurement services provided to King County and other contracting agencies.

Office of Information Resource Management Operating Fund – Accounts for countywide information technology strategic planning and project management oversight.

Information and Telecommunications Services Fund – Consists of two subfunds that account for data processing and telecommunications services provided to King County and other contracting agencies. The Data Processing Services subfund is responsible for the wide area data network, applications development and support, data center operations, database and server maintenance, server hosting, internet access, web infrastructure, help desk operations, and equipment replacement services. The Telecommunications Services subfund is responsible for managing desktop and wireless

telephony services. This includes billing, inventory, maintenance and replacement of telephone systems, managing calling card and long distance services, and providing consulting services on a time-available basis to County telephone users.

Insurance Fund – Accounts for the activities of the Office of Risk Management, which include performing risk analysis, evaluating alternatives and purchasing insurance, adjusting claims, and recommending policies and practices to reduce potential liabilities and ensure the adequacy of insurance coverage for King County departments.

King County Geographic Information Systems Fund – Accounts for the activities required to operate, maintain, and enhance the automated geographic information systems that serve both King County agencies and external customers.

Motor Pool Equipment Rental Fund – Accounts for the purchase and maintenance of a fleet of vehicles for use by County agencies.

Printing/Graphic Arts Services Fund – Effective January 1, 2008, printing and duplicating services were moved to the Construction and Facilities Management Fund. The fund is slated for closure in 2011.

Public Works Equipment Rental Fund – Accounts for the purchase and maintenance of equipment and materials primarily used by the Road Services Division for maintenance and repair.

Safety and Workers' Compensation Fund – Accounts for the administration of an employee safety and training program designed to provide a safe and healthy workplace, as required by the Washington Industrial Safety and Health Act of 1973, and accounts for King County's self-insured worker's compensation system as certified under Title 51 Revised Code of Washington (RCW), Industrial Insurance Act.

Wastewater Equipment Rental Fund – Accounts for the purchase and maintenance of equipment and vehicles used by the Wastewater Treatment Division and Water and Land Resources.

COMBINING STATEMENT OF NET ASSETS
INTERNAL SERVICE FUNDS
DECEMBER 31, 2010
(IN THOUSANDS)
(PAGE 1 OF 3)

	TOTAL	BUILDING DEVELOPMENT & MANAGEMENT CORPORATIONS	CONSTRUCTION & FACILITIES MANAGEMENT	DES EQUIPMENT REPLACEMENT
ASSETS				
Current assets				
Cash and cash equivalents	\$ 267,361	\$ 4,484	\$ 8,515	\$ 1,275
Restricted cash and cash equivalents	1,519	1,519	-	-
Investments	551	-	-	-
Interest receivable	20	20	-	-
Accounts receivable	1,493	258	-	-
Estimated uncollectible accounts receivable	(2)	-	-	-
Due from other funds	4,189	-	879	132
Due from other governments, net	571	-	144	-
Inventory of supplies	1,397	-	242	-
Prepayments	2,609	56	-	-
Total current assets	<u>279,708</u>	<u>6,337</u>	<u>9,780</u>	<u>1,407</u>
Noncurrent Assets				
Restricted assets				
Cash and cash equivalents	10,055	10,055	-	-
Accounts receivable	414	414	-	-
Total restricted assets	<u>10,469</u>	<u>10,469</u>	<u>-</u>	<u>-</u>
Capital assets				
Capital assets not being depreciated	20,395	20,395	-	-
Capital assets, net of accumulated depreciation	370,199	339,886	960	-
Total capital assets	<u>390,594</u>	<u>360,281</u>	<u>960</u>	<u>-</u>
Deferred charges	4,339	4,339	-	-
Total noncurrent assets	<u>405,402</u>	<u>375,089</u>	<u>960</u>	<u>-</u>
TOTAL ASSETS	<u>685,110</u>	<u>381,426</u>	<u>10,740</u>	<u>1,407</u>
LIABILITIES				
Current liabilities				
Accounts payable	7,681	1,407	656	5
Retainage payable	120	-	120	-
Claims and judgments payable	2,237	-	-	-
Estimated claim settlements	99,784	-	-	-
Due to other funds	1,515	-	584	-
Interest payable	1,621	1,621	-	-
Wages payable	3,630	-	1,020	-
Compensated absences payable	662	-	191	-
Taxes payable	11	-	8	-
Unearned revenues	2,217	1,426	-	-
General obligation bonds payable	125	-	125	-
Revenue bonds payable	10,465	10,465	-	-
Custodial accounts	1,481	-	-	-
Total current liabilities	<u>131,549</u>	<u>14,919</u>	<u>2,704</u>	<u>5</u>
Long-term liabilities				
Compensated absences payable	10,862	-	3,135	-
Other postemployment benefits	995	-	388	-
Revenue bonds payable	385,525	385,525	-	-
Estimated claim settlements	63,541	-	-	-
Total long-term liabilities	<u>460,923</u>	<u>385,525</u>	<u>3,523</u>	<u>-</u>
TOTAL LIABILITIES	<u>592,472</u>	<u>400,444</u>	<u>6,227</u>	<u>5</u>
NET ASSETS				
Invested in capital assets, net of related debt	(1,182)	(31,370)	835	-
Restricted for:				
Capital projects	218	218	-	-
Debt Service	11,770	11,770	-	-
Unrestricted	81,832	364	3,678	1,402
TOTAL NET ASSETS	<u>\$ 92,638</u>	<u>\$ (19,018)</u>	<u>\$ 4,513</u>	<u>\$ 1,402</u>

COMBINING STATEMENT OF NET ASSETS
INTERNAL SERVICE FUNDS
DECEMBER 31, 2010
(IN THOUSANDS)
(PAGE 2 OF 3)

EMPLOYEE BENEFITS PROGRAM	FINANCIAL MANAGEMENT SERVICES	OFFICE OF INFORMATION RESOURCE MANAGEMENT OPERATING	INFORMATION & TELECOM- MUNICATIONS SERVICES	INSURANCE	KING COUNTY GEOGRAPHIC INFORMATION SYSTEMS	MOTOR POOL EQUIPMENT RENTAL
\$ 46,818	\$ 7,273	\$ 2,718	\$ 10,312	\$ 84,936	\$ 1,348	\$ 7,007
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
789	79	-	68	297	2	-
-	-	-	(2)	-	-	-
59	142	10	864	36	67	43
354	12	-	11	-	-	-
-	-	-	-	-	-	92
-	107	-	-	2,446	-	-
<u>48,020</u>	<u>7,613</u>	<u>2,728</u>	<u>11,253</u>	<u>87,715</u>	<u>1,417</u>	<u>7,142</u>
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
2,420	421	-	463	3	119	11,654
2,420	421	-	463	3	119	11,654
-	-	-	-	-	-	-
2,420	421	-	463	3	119	11,654
<u>50,440</u>	<u>8,034</u>	<u>2,728</u>	<u>11,716</u>	<u>87,718</u>	<u>1,536</u>	<u>18,796</u>
1,577	572	14	1,297	201	3	224
-	-	-	-	-	-	-
-	-	-	-	2,237	-	-
18,851	-	-	-	65,043	-	-
82	132	141	255	-	72	163
-	-	-	-	-	-	-
64	937	176	794	88	164	57
14	175	31	126	20	22	11
-	-	-	1	-	1	-
691	-	-	100	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
317	-	-	146	1,018	-	-
<u>21,596</u>	<u>1,816</u>	<u>362</u>	<u>2,719</u>	<u>68,607</u>	<u>262</u>	<u>455</u>
229	2,873	512	2,059	324	361	178
14	235	28	155	24	34	22
-	-	-	-	-	-	-
-	-	-	-	-	-	-
243	3,108	540	2,214	348	395	200
<u>21,839</u>	<u>4,924</u>	<u>902</u>	<u>4,933</u>	<u>68,955</u>	<u>657</u>	<u>655</u>
2,420	421	-	463	3	119	11,654
-	-	-	-	-	-	-
-	-	-	-	-	-	-
26,181	2,689	1,826	6,320	18,760	760	6,487
<u>\$ 28,601</u>	<u>\$ 3,110</u>	<u>\$ 1,826</u>	<u>\$ 6,783</u>	<u>\$ 18,763</u>	<u>\$ 879</u>	<u>\$ 18,141</u>

COMBINING STATEMENT OF NET ASSETS
INTERNAL SERVICE FUNDS
DECEMBER 31, 2010
(IN THOUSANDS)
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	PRINTING/ GRAPHIC ARTS SERVICES	PUBLIC WORKS EQUIPMENT RENTAL	SAFETY & WORKERS' COMPENSATION	WASTEWATER EQUIPMENT RENTAL
ASSETS				
Current assets				
Cash and cash equivalents	\$ 25	\$ 5,086	\$ 78,257	\$ 9,307
Restricted cash and cash equivalents	-	-	-	-
Investments	-	-	551	-
Interest receivable	-	-	-	-
Accounts receivable	-	-	-	-
Estimated uncollectible accounts receivable	-	-	-	-
Due from other funds	-	552	1,403	2
Due from other governments, net	-	50	-	-
Inventory of supplies	-	1,061	-	2
Prepayments	-	-	-	-
Total current assets	25	6,749	80,211	9,311
Noncurrent Assets				
Restricted assets				
Cash and cash equivalents	-	-	-	-
Accounts receivable	-	-	-	-
Total restricted assets	-	-	-	-
Capital assets				
Capital assets not being depreciated	-	-	-	-
Capital assets, net of accumulated depreciation	-	12,302	1	1,970
Total capital assets	-	12,302	1	1,970
Deferred charges	-	-	-	-
Total noncurrent assets	-	12,302	1	1,970
TOTAL ASSETS	25	19,051	80,212	11,281
LIABILITIES				
Current liabilities				
Accounts payable	-	282	1,390	53
Retainage payable	-	-	-	-
Claims and judgments payable	-	-	-	-
Estimated claim settlements	-	-	15,890	-
Due to other funds	-	29	2	55
Interest payable	-	-	-	-
Wages payable	-	185	145	-
Compensated absences payable	-	50	22	-
Taxes payable	-	1	-	-
Unearned revenues	-	-	-	-
General obligation bonds payable	-	-	-	-
Revenue bonds payable	-	-	-	-
Custodial accounts	-	-	-	-
Total current liabilities	-	547	17,449	108
Long-term liabilities				
Compensated absences payable	-	830	361	-
Other postemployment benefits	-	64	31	-
Revenue bonds payable	-	-	-	-
Estimated claim settlements	-	-	63,541	-
Total long-term liabilities	-	894	63,933	-
TOTAL LIABILITIES	-	1,441	81,382	108
NET ASSETS				
Invested in capital assets, net of related debt	-	12,302	1	1,970
Restricted for:				
Capital projects	-	-	-	-
Debt Service	-	-	-	-
Unrestricted	25	5,308	(1,171)	9,203
TOTAL NET ASSETS	\$ 25	\$ 17,610	\$ (1,170)	\$ 11,173

COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET ASSETS
INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2010
(IN THOUSANDS)
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	TOTAL	BUILDING DEVELOPMENT & MANAGEMENT CORPORATIONS	CONSTRUCTION & FACILITIES MANAGEMENT	DES EQUIPMENT REPLACEMENT	EMPLOYEE BENEFITS PROGRAM
OPERATING REVENUES					
Profit (loss) on inventory sales					
Sales of inventory	\$ 7,731	\$ -	\$ -	\$ -	\$ -
Cost of goods sold	(6,890)	-	-	-	-
Gross profit (loss) on inventory	841	-	-	-	-
Data processing services - intracounty	25,219	-	-	-	-
Data processing services - other	397	-	-	-	-
Telecommunication services	2,054	-	-	-	-
Information resources management fees	5,475	-	-	-	-
Geographic information systems fees	4,108	-	-	-	-
Building management fees	28,959	28,959	-	-	-
Building operation and maintenance service fees	34,573	-	34,573	-	-
Architect/engineering/renovation service fees	8,092	-	8,092	-	-
Benefit program employer contributions	197,158	-	-	-	197,158
Benefit program employee fees	12,253	-	-	-	12,253
Financial services	28,646	-	-	-	-
Insurance services	25,578	-	-	-	-
Equipment rental fees	21,045	-	-	-	-
Fixed asset data management services	394	-	-	-	-
Garage shop services	442	-	-	-	-
Printing and duplication	1,299	-	1,299	-	-
Workers' compensation employer contributions	40,472	-	-	-	-
Miscellaneous	1,226	99	314	376	83
Total operating revenues	438,231	29,058	44,278	376	209,494
OPERATING EXPENSES					
Personal services	84,147	-	28,074	-	1,726
Materials and supplies	10,786	26	2,152	159	17
Contract services and other charges	279,732	6,251	8,119	-	203,757
Lease and maintenance of equipment	7,553	-	2,353	180	2
Internal services	22,807	-	3,585	65	403
Depreciation and amortization	17,935	9,717	247	-	346
Total operating expenses	422,960	15,994	44,530	404	206,251
OPERATING INCOME (LOSS)	15,271	13,064	(252)	(28)	3,243
NONOPERATING REVENUES					
Intergovernmental	37	-	-	-	-
Interest	2,807	302	107	10	417
Total nonoperating revenues	2,844	302	107	10	417
NONOPERATING EXPENSES					
Interest	19,675	19,664	11	-	-
(Gain) loss on disposal of capital assets	(481)	-	44	-	-
Miscellaneous	955	434	35	-	-
Total nonoperating expenses	20,149	20,098	90	-	-
Income (loss) before contributions and transfers	(2,034)	(6,732)	(235)	(18)	3,660
Capital grants and contributions	1,137	-	122	-	-
Transfers in	1,054	-	16	-	-
Transfers out	(2,217)	-	(836)	-	-
CHANGE IN NET ASSETS	(2,060)	(6,732)	(933)	(18)	3,660
NET ASSETS - JANUARY 1, 2010	94,698	(12,286)	5,446	1,420	24,941
NET ASSETS - DECEMBER 31, 2010	\$ 92,638	\$ (19,018)	\$ 4,513	\$ 1,402	\$ 28,601

COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET ASSETS
INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2010
(IN THOUSANDS)
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	FINANCIAL MANAGEMENT SERVICES	OFFICE OF INFORMATION RESOURCE MANAGEMENT OPERATING	INFORMATION & TELECOM- MUNICATIONS SERVICES	INSURANCE	KING COUNTY GEOGRAPHIC INFORMATION SYSTEMS
OPERATING REVENUES					
Profit (loss) on inventory sales					
Sales of inventory	\$ -	\$ -	\$ -	\$ -	\$ -
Cost of goods sold	-	-	-	-	-
Gross profit (loss) on inventory	-	-	-	-	-
Data processing services - intracounty	-	-	25,219	-	-
Data processing services - other	-	-	397	-	-
Telecommunication services	-	-	2,054	-	-
Information resources management fees	-	5,475	-	-	-
Geographic information systems fees	-	-	-	-	4,108
Building management fees	-	-	-	-	-
Building operation and maintenance service fees	-	-	-	-	-
Architect/engineering/renovation service fees	-	-	-	-	-
Benefit program employer contributions	-	-	-	-	-
Benefit program employee fees	-	-	-	-	-
Financial services	28,646	-	-	-	-
Insurance services	-	-	-	25,578	-
Equipment rental fees	-	-	-	-	-
Fixed asset data management services	-	-	-	-	-
Garage shop services	-	-	-	-	-
Printing and duplication	-	-	-	-	-
Workers' compensation employer contributions	-	-	-	-	-
Miscellaneous	122	3	26	-	3
Total operating revenues	28,768	5,478	27,696	25,578	4,111
OPERATING EXPENSES					
Personal services	19,981	3,447	15,525	2,142	3,337
Materials and supplies	242	47	1,396	12	88
Contract services and other charges	1,475	249	2,129	31,228	488
Lease and maintenance of equipment	1,154	60	3,063	73	-
Internal services	6,989	2,014	4,007	1,891	354
Depreciation and amortization	183	-	176	1	50
Total operating expenses	30,024	5,817	26,296	35,347	4,317
OPERATING INCOME (LOSS)	(1,256)	(339)	1,400	(9,769)	(206)
NONOPERATING REVENUES					
Intergovernmental	-	-	-	-	37
Interest	226	28	-	836	-
Total nonoperating revenues	226	28	-	836	37
NONOPERATING EXPENSES					
Interest	-	-	-	-	-
(Gain) loss on disposal of capital assets	7	-	30	-	-
Miscellaneous	17	5	440	-	-
Total nonoperating expenses	24	5	470	-	-
Income (loss) before contributions and transfers	(1,054)	(316)	930	(8,933)	(169)
Capital grants and contributions	-	-	-	-	-
Transfers in	-	-	900	-	-
Transfers out	-	(10)	(1,233)	-	-
CHANGE IN NET ASSETS	(1,054)	(326)	597	(8,933)	(169)
NET ASSETS - JANUARY 1, 2010	4,164	2,152	6,186	27,696	1,048
NET ASSETS - DECEMBER 31, 2010	\$ 3,110	\$ 1,826	\$ 6,783	\$ 18,763	\$ 879

COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET ASSETS
INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2010
(IN THOUSANDS)
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MOTOR POOL EQUIPMENT RENTAL	PRINTING/ GRAPHIC ARTS SERVICES	PUBLIC WORKS EQUIPMENT RENTAL	SAFETY & WORKERS' COMPENSATION	WASTEWATER EQUIPMENT RENTAL
\$ 1,692	\$ -	\$ 5,973	\$ -	\$ 66
(1,979)	-	(4,760)	-	(151)
(287)	-	1,213	-	(85)
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
10,633	-	8,084	-	2,328
-	-	394	-	-
85	-	357	-	-
-	-	-	-	-
-	-	-	40,472	-
57	-	103	37	3
10,488	-	10,151	40,509	2,246
2,009	-	4,669	3,033	204
3,668	-	2,620	54	305
148	-	261	25,622	5
329	-	170	131	38
992	-	759	1,668	80
3,854	-	2,673	5	683
11,000	-	11,152	30,513	1,315
(512)	-	(1,001)	9,996	931
-	-	-	-	-
60	-	57	680	84
60	-	57	680	84
-	-	-	-	-
(216)	-	(271)	-	(75)
14	-	9	-	1
(202)	-	(262)	-	(74)
(250)	-	(682)	10,676	1,089
586	-	388	-	41
138	-	-	-	-
-	-	(36)	-	(102)
474	-	(330)	10,676	1,028
17,667	25	17,940	(11,846)	10,145
\$ 18,141	\$ 25	\$ 17,610	\$ (1,170)	\$ 11,173

COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2010
(IN THOUSANDS)
(PAGE 1 OF 3)

	TOTAL	BUILDING DEVELOPMENT & MANAGEMENT CORPORATIONS	CONSTRUCTION & FACILITIES MANAGEMENT	DES EQUIPMENT REPLACEMENT
CASH FLOWS FROM OPERATING ACTIVITIES				
Cash received from users	\$ 451,044	\$ 36,058	\$ 43,656	\$ 48
Cash payments to suppliers for goods and services	(315,852)	(5,960)	(17,677)	(445)
Cash payments for employee services	(83,129)	-	(27,673)	-
Other operating revenues	1,226	99	314	376
Net cash provided (used) by operating activities	53,289	30,197	(1,380)	(21)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Operating grants and subsidies received	38	-	-	-
Transfers in	1,054	-	16	-
Transfers out	(2,217)	-	(836)	-
Net cash provided (used) by noncapital financing activities	(1,125)	-	(820)	-
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Acquisition of capital assets	(14,133)	(6,648)	(98)	-
Principal paid on general obligation bonds	(120)	-	(120)	-
Interest paid on general obligation bonds	(10)	-	(10)	-
Principal paid on revenue bonds	(6,465)	(6,465)	-	-
Interest paid on revenue bonds	(19,689)	(19,689)	-	-
Principal paid on assessment	(30)	-	(30)	-
Interest paid on assessment	(4)	-	(4)	-
Capital grants and contributions	196	-	-	-
Proceeds from disposal of capital assets	889	-	2	-
Net cash used by capital and related financing activities	(39,366)	(32,802)	(260)	-
CASH FLOWS FROM INVESTING ACTIVITIES				
Interest on investments (Including unrealized gains/losses reported as cash and cash equivalents)	2,811	307	107	10
Proceeds from sales of investments	9,609	5,181	-	-
Net cash provided by investing activities	12,420	5,488	107	10
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	25,218	2,883	(2,353)	(11)
CASH AND CASH EQUIVALENTS - JANUARY 1, 2010	253,717	13,175	10,868	1,286
CASH AND CASH EQUIVALENTS - DECEMBER 31, 2010	<u>\$ 278,935</u>	<u>\$ 16,058</u>	<u>\$ 8,515</u>	<u>\$ 1,275</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES				
Operating income (loss)	\$ 15,271	\$ 13,064	\$ (252)	\$ (28)
ADJUSTMENTS TO RECONCILE OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES				
Depreciation and amortization	17,935	9,717	247	-
Change in assets - (increase) decrease				
Accounts receivable, net	4,991	5,673	9	-
Due from other funds	263	-	(215)	48
Due from other governments, net	243	-	(102)	-
Inventory of supplies	236	-	(2)	-
Prepayments	2,979	3	-	-
Change in liabilities - increase (decrease)				
Accounts payable	(3,436)	314	(1,761)	(41)
Retainage payable	78	-	78	-
Claims and judgments payable	2,237	-	-	-
Estimated claim settlements	10,396	-	-	-
Due to other funds	(559)	-	226	-
Due to other governments	(9)	-	(9)	-
Wages payable	329	-	125	-
Taxes payable	(4)	-	-	-
Custodial accounts	216	-	-	-
Unearned revenues	1,434	1,426	-	-
Compensated absences payable	447	-	181	-
Other postemployment benefits	242	-	95	-
Total adjustments	38,018	17,133	(1,128)	7
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	<u>\$ 53,289</u>	<u>\$ 30,197</u>	<u>\$ (1,380)</u>	<u>\$ (21)</u>
NONCASH INVESTING, CAPITAL, AND FINANCING ACTIVITIES				
Contributions of capital assets from government	\$ 891	\$ -	\$ 122	\$ -
Contributions of capital assets to government	521	-	35	-

COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2010
(IN THOUSANDS)
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EMPLOYEE BENEFITS PROGRAM	FINANCIAL MANAGEMENT SERVICES	OFFICE OF INFORMATION RESOURCE MANAGEMENT OPERATING	INFORMATION & TELECOM- MUNICATIONS SERVICES	INSURANCE	KING COUNTY GEOGRAPHIC INFORMATION SYSTEMS	MOTOR POOL EQUIPMENT RENTAL
\$ 209,563	\$ 29,267	\$ 5,469	\$ 29,032	\$ 25,267	\$ 4,077	\$ 12,586
(199,464)	(9,832)	(2,680)	(12,539)	(25,630)	(911)	(6,995)
(1,732)	(19,752)	(3,489)	(15,443)	(2,073)	(3,252)	(1,991)
83	122	3	26	-	3	57
8,450	(195)	(697)	1,076	(2,436)	(83)	3,657
-	-	-	-	-	38	-
-	-	-	900	-	-	138
-	-	(10)	(1,233)	-	-	-
-	-	(10)	(333)	-	38	138
-	(20)	-	(102)	-	(42)	(3,696)
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	12
-	-	-	-	-	-	415
-	(20)	-	(102)	-	(42)	(3,269)
417	225	28	-	836	-	60
-	-	-	-	-	-	-
417	225	28	-	836	-	60
8,867	10	(679)	641	(1,600)	(87)	586
37,951	7,263	3,397	9,671	86,536	1,435	6,421
\$ 46,818	\$ 7,273	\$ 2,718	\$ 10,312	\$ 84,936	\$ 1,348	\$ 7,007
\$ 3,243	\$ (1,256)	\$ (339)	\$ 1,400	\$ (9,769)	\$ (206)	\$ (512)
346	183	-	176	1	50	3,854
(312)	(79)	-	(3)	(297)	-	-
564	204	(6)	1,198	(22)	(31)	176
(175)	501	-	19	-	-	-
-	-	-	-	-	-	(24)
-	(6)	-	-	2,982	-	-
(547)	117	6	(1,684)	(28)	(7)	34
-	-	-	-	-	-	-
-	-	-	-	2,237	-	-
5,380	-	-	-	2,402	-	-
(118)	(82)	(316)	(256)	(19)	26	111
-	-	-	-	-	-	-
(3)	(10)	17	88	21	29	3
-	(1)	-	(2)	-	-	-
62	-	-	146	8	-	-
13	(5)	-	-	-	-	-
(7)	183	(67)	(42)	42	48	10
4	56	8	36	6	8	5
5,207	1,061	(358)	(324)	7,333	123	4,169
\$ 8,450	\$ (195)	\$ (697)	\$ 1,076	\$ (2,436)	\$ (83)	\$ 3,657
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 574
-	17	5	440	-	-	14

COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2010
(IN THOUSANDS)
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	PRINTING/ GRAPHIC ARTS SERVICES	PUBLIC WORKS EQUIPMENT RENTAL	SAFETY & WORKERS' COMPENSATION	WASTEWATER EQUIPMENT RENTAL
CASH FLOWS FROM OPERATING ACTIVITIES				
Cash received from users	\$ -	\$ 14,535	\$ 39,091	\$ 2,395
Cash payments to suppliers for goods and services	(1)	(8,614)	(24,473)	(631)
Cash payments for employee services	-	(4,546)	(2,974)	(204)
Other operating revenues	-	103	37	3
Net cash provided (used) by operating activities	(1)	1,478	11,681	1,563
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Operating grants and subsidies received	-	-	-	-
Transfers in	-	-	-	-
Transfers out	-	(36)	-	(102)
Net cash provided (used) by noncapital financing activities	-	(36)	-	(102)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Acquisition of capital assets	-	(3,293)	-	(234)
Principal paid on general obligation bonds	-	-	-	-
Interest paid on general obligation bonds	-	-	-	-
Principal paid on revenue bonds	-	-	-	-
Interest paid on revenue bonds	-	-	-	-
Principal paid on assessment	-	-	-	-
Interest paid on assessment	-	-	-	-
Capital grants and contributions	-	184	-	-
Proceeds from disposal of capital assets	-	389	-	83
Net cash used by capital and related financing activities	-	(2,720)	-	(151)
CASH FLOWS FROM INVESTING ACTIVITIES				
Interest on investments (Including unrealized gains/losses reported as cash and cash equivalents)	-	57	680	84
Proceeds from sales of investments	-	-	4,428	-
Net cash provided by investing activities	-	57	5,108	84
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(1)	(1,221)	16,789	1,394
CASH AND CASH EQUIVALENTS - JANUARY 1, 2010	26	6,307	61,468	7,913
CASH AND CASH EQUIVALENTS - DECEMBER 31, 2010	<u>\$ 25</u>	<u>\$ 5,086</u>	<u>\$ 78,257</u>	<u>\$ 9,307</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES				
Operating income (loss)	\$ -	\$ (1,001)	\$ 9,996	\$ 931
ADJUSTMENTS TO RECONCILE OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES				
Depreciation and amortization	-	2,673	5	683
Change in assets - (increase) decrease				
Accounts receivable, net	-	-	-	-
Due from other funds	-	(273)	(1,381)	1
Due from other governments, net	-	-	-	-
Inventory of supplies	-	259	-	3
Prepayments	-	-	-	-
Change in liabilities - increase (decrease)				
Accounts payable	-	(272)	391	42
Retainage payable	-	-	-	-
Claims and judgments payable	-	-	-	-
Estimated claim settlements	-	-	2,614	-
Due to other funds	-	(31)	(3)	(97)
Due to other governments	-	-	-	-
Wages payable	-	18	41	-
Taxes payable	(1)	-	-	-
Custodial accounts	-	-	-	-
Unearned revenues	-	-	-	-
Compensated absences payable	-	89	10	-
Other postemployment benefits	-	16	8	-
Total adjustments	(1)	2,479	1,685	632
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	<u>\$ (1)</u>	<u>\$ 1,478</u>	<u>\$ 11,681</u>	<u>\$ 1,563</u>
NONCASH INVESTING, CAPITAL, AND FINANCING ACTIVITIES				
Contributions of capital assets from government	\$ -	\$ 154	\$ -	\$ 41
Contributions of capital assets to government	-	9	-	1